

savingsbonds

Public Debt
Options

Series I

I Bond Interest Rates

I Bond interest rates have two parts:

- A fixed rate that lasts for 30 years
- An inflation rate that changes every six months

FIXED RATES

I bond fixed rates are determined each May 1 and November 1. Each fixed rate applies to all I bonds issued in the six months following the rate determination. For example, a fixed rate determined on May 1, 1999 applies to all I bonds issued from May 1999 through October 1999.

DATE	FIXED RATES*
NOV 1, 2002	1.60%
MAY 1, 2002	2.00%
NOV 1, 2001	2.00%
MAY 1, 2001	3.00%
NOV 1, 2000	3.40%
MAY 1, 2000	3.60%
NOV 1, 1999	3.40%
MAY 1, 1999	3.30%
NOV 1, 1998	3.30%
SEP 1, 1998	3.40%

*annual rates compounded semiannually

INFLATION RATES

The inflation rate is determined each May 1 and November 1. It is the percentage change in the Consumer Price Index for all Urban Consumers (CPI-U) over six months. Each inflation rate applies to all outstanding I bonds for six months.

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DATE	INFLATION RATES*
NOV 1, 2002	1.23%
MAY 1, 2002	0.28%
NOV 1, 2001	1.19%
MAY 1, 2001	1.44%
NOV 1, 2000	1.52%
MAY 1, 2000	1.91%
NOV 1, 1999	1.76%
MAY 1, 1999	0.86%
NOV 1, 1998	0.86%
SEP 1, 1998	0.62%

*semiannual rates

COMPOSITE EARNINGS RATES

We combine fixed rates and inflation rates to determine composite earnings rates. An I bond's composite earnings rate changes every six months after its issue date. For example, the earnings rate for an I bond issued in March 1999 changes every March and September.

EARNINGS RATES THAT BONDS WILL BEGIN EARNING BETWEEN NOV 2002 AND APR 2003

ISSUE DATES	EARNINGS RATES*
NOV 2002 - APR 2003	4.08%
MAY 2002 - OCT 2002	4.48%
NOV 2001 - APR 2002	4.48%
MAY 2001 - OCT 2001	5.50%
NOV 2000 - APR 2001	5.90%
MAY 2000 - OCT 2000	6.10%
NOV 1999 - APR 2000	5.90%
MAY 1999 - OCT 1999	5.80%
NOV 1998 - APR 1999	5.80%
SEP 1998 - OCT 1998	5.90%

*annual rates compounded semiannually

HOW WE SET COMPOSITE RATES

Here's how we set the composite rate for I bonds issued Nov 2002 - Apr 2003:

Fixed rate = 1.60%
Inflation rate = 1.23%

Composite rate = [Fixed rate + 2 x Inflation rate + (Inflation rate X Fixed rate)] X 100%

Composite rate = [0.0160 + 2 x 0.0123 + (0.0123 X 0.0160)]

Composite rate = [0.0160 + 0.0246 + 0.0001968]

Composite rate = [0.0407968]

Composite rate = 0.0408

Composite rate = 4.08%

See Also:

[How the I Bond Earnings Rate is Set](#)

[Rates for EE Bonds Issued May 1997 and Later](#)

[Rates for EE Bonds Issued May 1995 through April 1997](#)

[Rates for EE/E Bonds and Savings Notes Issued Before May 1995](#)

[HH/H Bond Rates](#)

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